

Encl (1)

Agreement No. NONM 63-4
Amendment No. 1

AMENDMENT TO BASIC AGREEMENT

For Reimbursement of Allowable Cost Between Department

[REDACTED]

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WITNESSETH

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WHEREAS, as of 1 January 1962, the United States of America and the

[REDACTED]

hereinafter called the Contractor,

entered into Basic Agreement for Reimbursement of Allowable Cost No.

NONM 63-4.

WHEREAS said Basic Agreement provides that from and after 1 January 1962, reimbursement of allowable indirect costs under certain cost-reimbursement type contracts as set forth in paragraph 2 thereof, shall be made in accordance with final, periodic negotiated overhead rates to be established as provided therein;

WHEREAS, the parties have, in accordance with paragraph B of Appendix A to the Basic Agreement, negotiated the final overhead rates set forth in enclosure (1) to this Amendment for the calendar year 1962,

NOW THEREFORE, the parties agree that for the period beginning 1 January 1962 and ending 31 December 1962, the final overhead rates, and bases applicable thereto, set forth in enclosure (1) to this Amendment shall be used, as applicable, for the purpose of determining the allowable indirect costs under each cost-reimbursement type contract between the parties which

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[REDACTED]

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(as provided in paragraph 2 of said Basic Agreement) expressly incorporates by reference, or provides for reimbursement of allowable costs in accordance with, the said Basic Agreement.

All terms and conditions of the Basic Agreement remain unchanged.

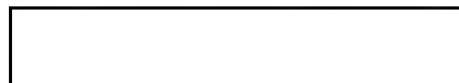
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UNITED STATES OF AMERICA

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By



Title Contracting Officer

Department of the Navy

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CERTIFICATE

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I, , certify that I

am Assistant Secretary of

named above; that , who signed this Agreement on behalf of said corporation, was then Vice President of said corporation; and that this Agreement was duly signed for and in behalf of said corporation by authority of its governing body and is within the scope of its corporate powers.

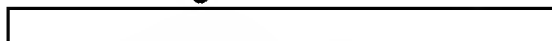
Witness my hand and seal of said corporation this First day of March, 1965.

25X1A (Corporate Seal)

By



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Application of Rates

The following information relates to the applicability of the above rates:

- a. Factory adjustment factors are a percentage of total factory direct labor and overhead charged at standard costing rates. The application of this rate will adjust costs for the variance between standard and actual costs, the unallowable costs and other cost adjustment.
- b. Engineering adjustment factors are a percentage of total engineering direct labor and overhead charged at standard costing rates. The application of this rate will adjust costs for the variance between standard and actual costs, the unallowable costs and other cost adjustments.

Exceptions:

- (1) The following locations express engineering overhead as a percentage of engineering direct labor dollars including shift premium and excluding authorized overtime premium:

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- (2) Engineering rates for and certain budgets listed above are a dollar rate for a productive labor hour.

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c. Independent Research and Development

- (1) Development rates are a percentage of total performance costs exclusive of research and development and general and administrative expenses.
- (2) Research rates are a percentage of total performance costs exclusive of research and development and general and administrative expense except for the following divisions:

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- (a) (except cost center No. 89 Digital Computer) - research rate is a dollar rate for a productive hour.

- (b) Plant Apparatus - research rate is a percentage of total performance costs exclusive of research and headquarters general and administrative expenses.

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- (3) Independent research and development rates apply to all cost type contracts issued under ASPR XV Cost Principles as provided in Revision #50 dated 2 November 1959.

- d. General and administrative expense rates are a percentage of total performance costs exclusive of general and administrative expense except for the following divisions:

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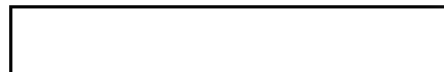
- (1) [] a productive hour dollar rate exclusive of cost center No. 89 Digital Computer.

- (2) Plant Apparatus - percentage of total performance costs exclusive of headquarters general and administrative expense.

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- e. [] independent research and development rates and general and administrative expense rates do not apply to the following facility contracts: NOW-61-0473u, NOW-61-0503u, NOW-61-0631u, NOW-61-0870u, and NOW-61-0884u.

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CONTRACTOR'S ASSIGNMENT OF REFUNDS, REBATES, AND CREDITS

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Contract No. AF33(657)7351

Pursuant to the terms of Contract AF33(657)7351 and in consideration of the reimbursement of costs and payment of fee, as provided in the said contract and any assignment thereunder, the (hereinafter called the Contractor) does hereby:

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1. Assign, transfer, set over and release to the UNITED STATES OF AMERICA (hereinafter called the Government), all right, title and interest to all refunds, rebates, credits or other amounts (including any interest thereon) arising out of the performance of the said contract, together with all the rights of action accrued or which may hereafter accrue thereunder.
2. Agree to take whatever action may be necessary to effect prompt collection of all refunds, rebates, credits or other amounts (including any interest thereon) due or which may become due, and to promptly forward to the Contracting Officer, checks (made payable to the Treasurer of the United States) for any proceeds so collected. The reasonable costs of any such action to effect collection shall constitute allowable costs when approved by the Contracting Officer as stated in the said contract and may be applied to reduce any amounts otherwise payable to the Government under the terms hereof.
3. Agree to cooperate fully with the Government as to any claim or suit in connection with refunds, rebates, credits or other amounts due (including any interest thereon); to execute any protest, pleading, application, power of attorney or other papers in connection therewith; and to permit the Government to represent it at any hearing, trial or other proceeding arising out of such claim or suit.

IN WITNESS WHEREOF, this assignment has been executed this 4th day of March 1966.

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CONTRACTOR'S RELEASE

Contract No. AF33(657)7351

Pursuant to the terms of Contract No. AF33(657)7351 and in consideration of the sum of [REDACTED] Dollars (\$ [REDACTED]) which has been or is to be paid under the said contract to

_____ (hereinafter called the Contractor) or its assignees, if any, the Contractor, upon payment of the said sum by the United States of America (hereinafter called the Government), does remise, release, and discharge the Government, its officers, agents, and employees, of and from all liabilities, obligations, claims, and demands whatsoever under or arising from the said contract, except:

1. Specified claims in stated amounts or in estimated amounts where the amounts are not susceptible of exact statement by the Contractor, as follows:
 - a. "Provision for any deficiency in Maryland Sales and/or Use Tax in the estimated amount of \$ [REDACTED], including penalties and interest which may be assessed and finally paid by the contractor to the State of Maryland, and outside counsel or attorney fees which may also be incurred by the contractor."
2. Claims, together with reasonable expenses incidental thereto, based upon liabilities of the Contractor to third parties arising out of the performance of this contract; provided, that such claims are not known to the Contractor on the date of the execution of the release; and provided further that the Contractor gives notice of such claims in writing to the Contracting Officer not more than six (6) years after the date of the release or the date of any notice to the Contractor that the Government is prepared to make final payment, whichever is earlier.
3. Claims for reimbursement of costs (other than expenses of the Contractor by reason of its indemnification of the Government against patent liability), including reasonable expenses incidental thereto, incurred by the Contractor under the provisions of the said contract relating to patents.

The Contractor agrees, in connection with patent matters and with claims which are not released as set forth above, that it will comply with all of the provisions of the said contract, including without limitation those provisions relating to notification to the Contracting Officer and relating to the defense or prosecution of litigation.

IN WITNESS WHEREOF, this release has been executed this 4th day of
March 1966 .

25X1A Approved For Release 2002/06/11 : CIA-RDP67B00820R000300180018-5

